

ITEM NO. 7

STAFF REPORT

DATE: OCTOBER 4, 2011
TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: ROD FOSTER, CITY MANAGER/GENERAL MANAGER
PREPARED BY: AMER JAKHER, PUBLIC WORKS & UTILITY SERVICES DIRECTOR *AJ*
SUBJECT: APPROVE THE PURCHASE OF ITRON METERS FOR THE ELECTRIC UTILITY.

RECOMMENDED ACTION

It is recommended that City Council approve the annual purchase of Itron electric meters from McAvoy & Markham Engineering and Sales Company, Inc. in the estimated annual amount not-to-exceed \$156,859.

GOAL STATEMENT

The proposed action will support the City's goal to provide safe, reliable, affordable, and environmentally sustainable electric service.

BACKGROUND

The Electric Utility uses electronic receiving and transmission (ERT) meters for collecting usage data from utility customers. ERT meters are primarily used on accounts where it is difficult for our personnel to access the meter on the customer's property, and are also replacing older meters as part of our standardization program. On June 1, 1999, the City Council approved the standardization of the Itron meter reading system.

ISSUES/ANALYSIS

McAvoy & Markham Engineering and Sales Company, Inc. is the only distributor authorized to sell Itron products in Southern California. Staff has estimated the quantity of residential, commercial and ISO meters required for the 11/12 Fiscal Year. Staff has obtained pricing from the vendor for each type of meter. The pricing will be firm for the entire fiscal year as follows:

FM 2S, Centron (open-way) ERT meters (C1SR).....	\$ 150.00 each
FM 2S, Centron ERT meters (C1SR), Cat. #C95-0509.....	54.95 each
FM 3S, Centron ERT meters (C1SRD), Cat. #C95-0520.....	245.00 each
FM 4S, Centron ERT meters (C1SRD), Cat. #C95-0516.....	245.00 each

FM 5S, Centron ERT meters (CP1SRD3), Cat. #C95-0514...	279.00 each
FM 9S, Centron ERT meters, with demand, (CP1SRD3) Cat. #C95-0515.....	279.00 each
FM 12S, Centron ERT meters (CN1SR), Cat. #C95-0507.....	108.00 each
FM 16S, Centron ERT meters (CP1SR), Cat. #C95-0513.....	218.00 each
FM 16S, Centron ERT meters, with demand (CP1SR3), Cat. #95-0512.....	279.00 each
FM 9S, Sentinel TOU management level 2, w.96 kb LP, Cat. #C95-0509.....	480.00 each
FM 2S Sentinel ERT meters with demand (SS1S1D), Cat. #C95-2013.....	175.00 each

Staff feels that it is in the City's best interest to continue with our standardization of equipment and uniformity efforts by having the same meter reading system by purchasing Itron meters previously selected by the City Council. McAvoy & Markham Engineering and Sales Co., Inc. is the only vendor authorized to distribute Itron meters to the Southern California region, and there is no competitive market or advantages to be gained by public bidding.

FISCAL IMPACTS

The purchase of electric meters was approved in the FY 11/12 Electric Utility Meters Capital Improvement Budget, Account Number 520-8000-8024-3890-0107-000.

ALTERNATIVES

1. City Council may provide alternate direction to staff.